Department of Agriculture and Fisheries

Annual Accountability Report for the Fiscal Year 2002–03

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Message From the Minister

It is my pleasure to present the 2002-03 Annual Accountability Report for the Nova Scotia Department of Agriculture and Fisheries, and the Nova Scotia Agricultural College (NSAC). This report reflects the department's efforts to achieve the priorities outlined in its 2002-03 business plan and the initiatives undertaken to address issues and opportunities which arose during the year.

This was the department's third year as an amalgamated department. With common goals for agriculture, aquaculture and fisheries, staff identified opportunities to cooperate and share information, experiences and expertise. The department also made significant efforts to work closely with industry representatives to address issues and for program evaluation and development.

The department had the honor to co-chair the Annual Conference of Federal -Provincial-Territorial Agriculture Ministers Meeting in June and the Canadian Council of Fisheries and Aquaculture Ministers in September. These meetings provided opportunity to discuss issues and review progress on joint initiatives for the sectors; for example, the Agricultural Policy Framework and the National Aquatic Animal Health Program.

I would like to express my thanks to the staff for their hard work and commitment to providing excellent programs and services to the agriculture, aquaculture and fisheries industries, in the best interests of Nova Scotians.

I invite readers to visit the department's website, http://www.gov.ns.ca/nsaf/ and the Nova Scotia Agricultural College website, http://www.nsac.ns.ca.

Accountability Statement

The accountability report of the Department of Agriculture and Fisheries for the year ended March 31, 2003, is prepared pursuant to the Provincial Finance Act and government policy and guidelines. These authorities require the reporting of outcomes against the Department of Agriculture and Fisheries business plan information for the fiscal year 2002-03. The reporting of Agriculture and Fisheries outcomes necessarily includes estimates, judgments and opinions by department management.

We acknowledge that this accountability report is the responsibility of the department management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the department business plan for the year.

Chris d'Entremont, Minister

Peter Underwood, Deputy Minister

Introduction

The accountability report is based on the core businesses, strategic goals, priorities and performance measures set out in the department's 2002-03 business plan. Readers are encouraged to visit www.gov.ns.ca/nsaf/department/business_plans/, and to read this report with the business plan to fully understand the department's challenges, opportunities, priorities and core businesses. The department's programs were delivered in line with the core businesses, goals and priorities of the Government of Nova Scotia.

The purpose of the report is to share an overview of ongoing work and achievements made toward core business priorities and performance measures for the Department of Agriculture and Fisheries, including the Nova Scotia Agricultural College (NSAC) during the period April 1, 2002 to March 31, 2003.

Four core businesses are outlined, each with a number of priority items. Staff worked to carry out the department's mission - to foster prosperous and sustainable agriculture and fisheries' industries though the delivery of quality public services for the betterment of rural and coastal communities and of all Nova Scotians.

The department worked closely with industry groups, government agencies and other partners. We have found that the possibilities for industry development exist when agencies come together to share human, financial and talent resources. Partnerships and collaboration opportunities continue to be strengthened and sought out for the benefit of our resource industries. Examples include:

- market research and development;
- fisheries development and enforcement;
- industry consultation and strategic planning;
- scientific research;
- technology transfer and development;
- information sharing;
- developing export opportunities;
- stakeholder and public education, and
- training and business development.

In 2002-03 the department and its resource industries faced a number of challenges, yet were also able to benefit from many opportunities. The department has set a pace for continued improvement in programs and services and support for the agriculture, aquaculture and fisheries industries.

Progress & Accomplishments 2002–03

Core Business 1: Sustainable resource management - balances industry development with environmental and social responsibility through applied research, technology transfer, generally accepted management practices, and industry/ public awareness.

Priority – Strengthen the capacity of client groups to deal with environmental risk management.

Achievements:

- Developed phase 1 of an integrated water management strategy for the department to address water quality and access. The Department of Agriculture and Fisheries water management strategy is a portion of an overall provincial water strategy. Ongoing activities include: communication of information through fact sheets and on website; watershed clubs, environmental farm plans, domestic farm water quality, and water assessments (inventory of department and NSAC water related activities and issues), and cooperative work with other interested parties.

- Enhanced the Nova Scotia Environmental Farm Plan (EFP) initiative within the Canada-Nova Scotia Implementation Agreement. The department has directed $500,000 per year for the next three years to accelerate the Environmental Farm Plan initiative. The Environmental Farm Plan Initiative is a priority in Nova Scotia and is highlighted in the Agricultural Policy Framework Agreement (APF) as a key element of sustainable agricultural development. Approximately 260 farmers are now enrolled in the initiative. There has been a steady increase in the percentage of participants in the EFP as reported within performance measures on page 27 of this report.

- Worked with industry to provide input to the Department of Fisheries and Oceans Canada (DFO) on issues that affected the Nova Scotia fisheries in 2002–03 including the movement of unprocessed crab outside the province, and continued promotion of sustainable use of the fishery resource. These efforts benefit the economies of coastal communities in the province. DFO manages the fishery and allows the department an opportunity to represent the interests of Nova Scotia harvesters and processors through a variety of committees and other forums.

Priority – Promote research and innovative technology to address environmental issues as they apply to agriculture and aquaculture development.

Achievements:

- Worked with industry to minimize impacts from nutrients and waste on fish farms. Environmental Assessments (EAs)are now required for all new finfish aquaculture sites. Stocking densities, husbandry, feed delivery and storage techniques, such as, the mandatory use of feed cameras is now required by condition of licence. Site licences issued prior to the requirement for EAs follow generally accepted industry

standards and most operators are using these modern feeding techniques. The department will continue to work with smaller operators to introduce them to new technologies and feeding strategies.

- Worked with aquaculture farm operators to assist industry adapt to new technologies and methodologies. New aquaculture production and harvesting technologies were presented at a trade show organized by the department. The department participated in the Aquaculture Association of Nova Scotia annual meeting.

- Provided technical and financial support to fisheries/aquaculture associations and fishermen through cost- shared, customer-led development programs. Each year the department invests more than $250,000 to help innovation in the fisheries. In 2002-03, 24 projects were completed, ranging from improving safety on public wharves to conducting lobster larval drift studies. The projects promote industry self-sufficiency and community management and focus on fish harvesting, processing, aquaculture development and coastal community programs.

- NSAC hired its first Climate Change Research Chair which will address the challenges of changing climatic conditions. There are two main goals of research: reduce nitrous oxide emissions by developing an understanding of the processes involved and understand the impact of climate on agricultural production. This work will help industry adapt to climate change. NSAC also appointed the Canada Research Chair on Water Resource Management. This position complements the Climate Change Research Chair enabling a full program of research concentrating on water resource management. The outcome is expected to be a series of practical solutions and recommendations that will assist farmers to meet targets for clean water.

- Provided technical support and analytical services in conjunction with Agriculture and Agri-food Canada on research aimed at determination of required crop nutrients. The effect of more accurate recommendations will impact favourably on resultant nutrient loads on agricultural lands.

- Provided in excess of $1.8 million in funding through the Technology Development and Agricultural Water Resource Development programs. The funded projects support the development or adaptation of new, leading edge agricultural technologies, as well as research in agricultural water management.

Priority – Encourage farming and harvesting practices that meet generally accepted standards of environmental risk management.

Achievements:

- The Aquaculture Association of Nova Scotia developed an Environmental Monitoring Plan for Nova Scotia's Marine Aquaculture Industry. The department is expected to play a major role in monitoring and compliance of the industry. A monitoring plan was

developed for the St. Ann's mussel farm. A pilot is being developed for a salmonid operation to test the methodologies and determine costs.

- Continued efforts to develop new fish health policies, standards, and practices to address industry-wide fish health concerns. Activities included:
  - Participation in the development of a National Aquatic Animal Health Program. Implementation of the project is awaiting federal funding;

  - Partnering in an approved Atlantic Innovation Fund project with the University of Prince Edward Island (UPEI) aimed at training and mentoring new fish veterinarians;

  - Playing a key role in the discovery and management of Multinucleate Sphere X (MSX) a parasitic disease of American (or Eastern) oysters in the Bras d'Or lake. Provided laboratory analysis and veterinary diagnostic services toward monitoring this MSX disease Surveillance for MSX will be ongoing.

- Assisted farmers to find practical and environmentally friendly solutions to manure/ fertilizer management and pest control problems by:
  - Continuing an internal review of manure guidelines in cooperation with the Department of Environment and Labour.

  - Developing a Nutrient Management Planning course for service providers in cooperation with other Atlantic provinces. NSAC offered the course for the first time in the spring of 2003. Approximately 70 people in the region have participated in two course offerings to date.

  - Filling a new Pest Management, Environment and Regulation Coordinator position. A Weed Inspector was also hired. These positions will provide enhanced linkages, coordination, and capacity to deliver environmentally sound pest management services within the province.

- Developed linkages and cross compliance between environmental farm management and income stabilization programs by:
  - Continuing negotiations with the federal government for the delivery of federal programs which could have significant influence on environmental farm management in the province. Examples are: the Environmental Farm Plan Initiative, National Water Supply Expansion Program, and Green Cover Program.
  - Continuing negotiations of the Agricultural Policy Framework and Implementation Agreement (APF-IA) with the federal government. The agreement includes environmental initiatives and linkages to income stabilization and risk management. Additional resources are being dedicated to the delivery of environmental farm management services to farmers. The process of linking environmental farm management has begun by introduction

of a number of funding programs that include environmental prerequisites as eligibility criteria. These include the Nutrient Management Planning Program and Limestone Assistance Program.

Priority – Enhance the capacity of NS's agricultural and fishing industries to address and resolve resource use conflicts and challenges.

Achievements:

- Implemented the *Agricultural Marshland Conservation Act* aimed at protecting agricultural lands. The new Act, which limits commercial and residential development on marshlands, will help reduce further increases in flood damage to commercial and residential structures on marshland.

- Established a snow crab task force to address the issues that have caused controversy among the various components of the snow crab industry (harvesters, plant owners, plant workers, buyers). Issues that were addressed included pricing, local processing, seasons, inter-provincial trade regulations and marketing. As part of the snow crab review and consultation process, the department commissioned an independent study on the economics of the snow crab fishery. In addition, marketing seminars were hosted in several locations in eastern Nova Scotia where an international marketing expert was brought into local communities to present information on world snow crab markets and prices.

- Held regular consultations between officials in the Department of Energy and the Department of Agriculture and Fisheries. A mission to have fishermen's representatives visit oil and gas/fisheries interests in Norway and Scotland is planned for the fall of 2003 or winter 2003.

- Hosted the bi-annual Minister's Fisheries Council where the minister met with some 60 representatives from the harvesting and processing sectors of the commercial fishing industry. Oil and gas activities were a major discussion item for the conferences. The minister hosted a meeting of buyers and processors in 2002–03.

Priority – Promote an image of agriculture, fishing and aquaculture as modern, progressive industries that are evolving and environmentally responsible.

Achievements:

- Created and introduced the 4-H Fisheries Manual to the 4-H community. The manual is an excellent resource and will be shared with 4-H across the country through the National Resource Network. The project, delivered in all six 4-H regions generated considerable interest.

- 4-H activities provided exposure to agriculture at regional, provincial and national levels, and increased agriculture awareness. Activities included celebration of the 80th Anniversary of 4-H, 25th Anniversary of the Nova Scotia 4-H Show and 30 years of 4-H Camp Rankin.

- The 4-H program is celebrating 80 years in Canada in 2003. The Measure of Success II Survey, which measures the impact the 4-H program has on 4-H alumni, will be expanded to include parents and youth who are not currently members. This will expand the 4-H base line measurement system.

- The department sponsored an Aquaculture Harvest Festival in Guysborough Co. on October 2002. The annual festival highlights the contribution aquaculture makes to the local economy, provides samples of the products produced, and identifies opportunities that exist in this sector. As part of the festival, a $1000 scholarship is provided to a local school student who wishes to pursue a career in aquaculture.

- Nova Scotia Agricultural Awareness held workshops at Nova Scotia museums and at fairs and exhibitions across the province. Open Farm Day, a new initiative in 2002, drew more than 4500 visitors to farms. These activities enabled people of all ages to discover agriculture and its important contribution to NS's economy and society.

- Developed the department's corporate communications strategy to improve the image and public awareness of the department's industries. The report focused on improving the public's awareness of the department and its work, and enhancing awareness of agriculture, aquaculture and fisheries industries among Nova Scotians.

Priority – Manage inland fisheries' resource according to principles of conservation.

Achievements:

- Partnered with DFO and non-government organizations (NGOs) on conservation of non-migratory fish, sportfish management, promotion and development of recreational fisheries in Nova Scotia.

    - Finalized two draft Memorandum of Understanding (MOU) with DFO on fish habitat, and recreational fisheries. The MOUs are expected to be signed in fiscal 2003-04, and will formalize Nova Scotia's involvement in issues related to fish habitat and freshwater recreational fisheries' management.

    - Partnered with recreational fishery organizations on 50 projects related to the management of this sector, including winter sport fishing, sport fishing weekend, stocking program, and trout fishing derbies.

Core Business 2: Industry growth and development - focuses on NS's rural and coastal communities by investing in industry stability, new economic opportunities and strategic development partnerships and priorities.

Priority – Strengthen the capacity of the agricultural industry to reduce market, financial environmental, and weather-related risks, and to manage these risks more strategically and for the long-term.

Achievements:

- Increased the effectiveness of crop insurance by introducing higher coverage levels and higher unit prices:
    - Total crop insurance coverage for 2002-03 increased to $16.3 million, 10.9 per cent over 2001's $14.7 million. The increase is attributed to increased acreage for potatoes and higher unit prices offered to blueberries.

    - Regulations governing potatoes, blueberries, winter grain, and corn were revised in September. Maximum coverage levels for these crops will be increased to 85 per cent from the current 80 per cent. Growers will be able to select this option for the 2003 year.

- Worked with industry to evaluate safety net programs and to design new programs that comply with guidelines of the APF:
    - Improvements were made to the Business Risk Management Program (BRM) integrating stabilization, disaster and investment. This will be available through an expanded Net Income Stabilization Account (NISA) that will provide better coverage and improved Production Insurance Program.
    - The new Production Insurance Program offers greater flexibility in designing programs suited to Nova Scotian concerns. The production Insurance Program will allow for:

        - insurance plans based on value rather than yield;
        - risk splitting options can be built into program design;
        - more crops can be covered using derivative products;
        - insurance products for livestock production can be developed; and,
        - lower premium and administration costs.

- Provided $2.7 million cost shared funding to support NISA and the Canadian Farm Income Support programs for the benefit of more than 1,400 producers.

- Participated with the federal government in a "bridge funding" initiative that contributed $2.5 million in income stabilization support for producers through the existing NISA program. In an attempt to address the economic damage experienced by the swine industry, the principles of the NISA Red Meat Enhancement were applied. These principles allow red meat NISA participants to deposit 8 per cent of their Eligible Net Sales (ENS) from Pork, Beef or Sheep into their NISA account for the 2000 and 2001

stabilization years. This amount is matched federally/provincially. The approach resulted in over 150 new accounts opened under the existing NISA program.

Priority – Ensure that Nova Scotia receives a fair share of the federally-managed marine resources.

Achievements:

- Continued to represent the interests of Nova Scotia commercial fishermen at federal/provincial/industry meetings on resource management. The department successfully lobbied DFO for improved access for snow crab off Cape Breton. Quotas have quadrupled over the past six years. Landings in 2002 were valued at $84 million. The department actively worked with stakeholders to increase the processing activity for snow crab in eastern Nova Scotia.

Priority – Support industry initiatives to expand, diversify, add value to products, services and technologies, and take advantage of emerging economic development opportunities.

Achievements:

- Improved conditions for aquaculture development by:
  – Partnering with federal and municipal levels of government in Guysborough County on a coastal zone management and planning exercise to identify suitable sites for future aquaculture development. This project is nearing completion and has solicited interest from other jurisdictions in Canada and the United States who are interested in completing a similar exercise.

  – Continuing efforts to improve leasing/licensing process for aquaculture sites harmonizing the application and review process between the province and DFO, reducing turn-around time for processing applications and linking the lease/ licence review process to a Geographic Information System (GIS) system that was developed in 2001.

- On- Farm Added Value and Diversification: Developed a committee with membership from governments, industry organizations and private sector. Organized two seminars to inform farmers and food processors of the importance of food safety and inform farmers why and how diversification on the farm can be an opportunity for growth and be successful. Follow-up and counseling with ten seminar attendees who wish to expand or diversify their businesses is now underway.

- Hog Industry Development and Value-Added Strategic Directions:
  - Pork Research: Commissioned research resulted in identification of an opportunity for a premium natural pork product targeted to the natural market chains in New England. The findings of a market and economic analysis concluded there is a 20 per cent price premium and that the opportunity could be competitively accessed by Nova Scotia stakeholders.

- Pork Development: Completed a natural pork product development project as part of an investigative mission to New England.

- Development of an implementation plan is in progress. The project is a co-operative effort with a variety of stakeholders that includes a meat processor, Pork Nova Scotia, several pork producers and the department.

- Organic Industry Development:
  - Participated on the Atlantic Canada Organic Regional Network (ACORN). The 2002-03 annual report for ACORN, outlined over 20 development initiatives undertaken by this association. The report is available upon request.

  - The department continued to further the development of Nova Scotia's organic agriculture sector, and the development of the organic industry association. ACORN, now in its fourth year, presented its second strategic plan to regional governments in December. Business and operational planning has been completed. Maritime Deputies of Agriculture have signed a three year accord agreement committing to ACORN support and organic industry development.

  - Assisted in the coordination of ACORN's annual conference and trade show, held in Halifax. 150 industry and consumers attended and the event was considered a success.

  - Completed and presented a final report to the Atlantic Agriculture Co-ordinating Council (AACC). Participated on the interprovincial Task Group on Organic Agriculture commissioned to the AACC to identify and catalog the main participants in organic agriculture in Atlantic Canada, assess the organic agricultural potential in the region, and assess the gaps and priorities in training, research and extension resources.

  - Work teams were developed to address six organic agriculture recommendations to fill the development gaps and priorities in training, research and extension in the Atlantic region. Two projects in the areas of market research and market information are planned for 2003-04.

  - Participated in an Atlantic Canada organic educational mission to Boston with 10 government / industry partners. The two-day education and marketing program received high evaluation marks, and included presentations and tours. The final report included recommendations and next steps for the development of export opportunities for qualified organic products in the New England marketplace.

  - Participated in a government/industry organic apple project. The project team consisted of the Nova Scotia Fruit Growers Association (NSFGA), Agriculture and Agri-Food Canada, Avon Foods, and the Organic Agriculture Centre of

Canada (OACC) to produce a commercial quantity of certified organic apple sauce for specialty markets. This completed the initial commercial production of Nova Scotia's first certified organic value-added apple product.

Value-Adding Discussion Document:

- Developed a strategy to describe how the department can maximize its efforts to increase the level of value-added products, services, and advanced manufacturing activity in Nova Scotia's agri-fish sectors. Recommendations include how to approach industry sectors, which inputs should be provided, and how the department can coordinate inputs from other stakeholders. The document, "Value Adding for the Agri-Fish Industries in Nova Scotia," has been completed and is currently under review.

Product and Quality Development and Joint Venture Projects With Industry:

- Participated in cost shared development projects with businesses and sector associations. 20 projects (projects budget $202,000 / industry funding $537,000), were implemented. These contributed to the development of new agri-fish value-added products. In association with these projects, industry supports to address barriers to commercialization, as well as path-finding and counseling services were provided. An annotated overview of product development and quality enhancement projects conducted in this past fiscal year may be provided upon request.

Nova Scotia Food in Schools Pilot Program and New Product Development:

- Designed to increase the purchase and consumption of healthy Nova Scotia products in schools. 20 new Nova Scotia products were produced, three of which were marketed through the wider Nova Scotia /Maritime food service market.

Nova Scotia Agri/ Aqua Tourism Development:

- Agri/ Aqua Tourism development continued as a key strategic imperative providing an important foundation for marketing Nova Scotia as a food destination on the international stage. Industry revenues attributed to visitors to our province are "export" dollars, and tourists returning home to Nova Scotia's priority markets continue to create great equity in these markets for Nova Scotia agri-fish exporters.

    - Taste of Nova Scotia Society chaired a national task force on culinary tourism resulting in a strategic plan with recommendations for future development initiatives to build the Canadian culinary tourism product and market it on the world stage. This work provides a foundation for overall Brand Canada and Brand Nova Scotia initiatives and recognizes the Taste of Nova Programs' national status as industry leaders.

    - Completed work in data base development for the agri/ aqua tourism sector, resulting in the publication of a directory, "On the Land and In the Sea - A resource directory of Nova Scotia's agriculture, aquaculture and sportfishing destinations and activities." The directory was distributed to visitor information centres and to other tourism stakeholders. It is also available on the department website.

- Coordinated two agri/ aqua tourism product development initiatives and made three presentations on the diversification opportunities offered through the tourism market. Work continued in solidifying links and partnerships with government/ industry groups dedicated to tourism development.

- The Taste of Nova Scotia Society (TNSS) and its partnerships provide an important government and industry partnership dedicated to the development of both the tourism and agr-fish sectors and provides an important market for Nova Scotia food producers and processors. TNSS is comprised of 77 member restaurants that market Nova Scotia as a food destination, contributes to brand image, and enhances awareness of the province and its food industry. A detailed annual report of activities is available upon request. The following are highlights for 2002-03:
    - Produced the 2002 Dining Guide and distributed to over 150,000 domestic and international consumers. The guide, with comment card enclosed, also provided valuable data for program evaluation and data base marketing.

    - Worked on a number of initiatives with Nova Scotia's food and wine industry: implemented a Sommelier Scholarship Program; produced and distributed a "how to" guide for selling and serving wine in restaurants; produced a video designed to increase the level of wine knowledge and service in the province, and in the process of developing a consumer wine video for sale through Nova Scotia Liquor Commission outlets.

    - TNSS provided market promotional services to the department designed to increase knowledge, awareness and purchase of Nova Scotia food products by consumers in restaurants throughout the province.

    - TNSS established an alliance with Imago Group, operators of eight restaurants in Toronto. This work opened markets for Nova Scotia producers and processors. A two-week Taste of Nova Scotia promotion in this restaurant boasted sales in excess of $75,000 for Nova Scotia seafood and provided a valuable foundation for Oland's Alexander Keith's brand launch in the Toronto market.

    - Website enhancements linked Taste of Nova Scotia to the world. This linkage provided consumer marketing and promotional services to the food industry. In-season product highlights, recipes, new product introductions, and Nova Scotia food product purchase/ storage/ cooking tips. The website also provides a forum for Nova Scotia food and place visuals (photography). These are designed to enhance Nova Scotia's brand image as a food destination and as a supplier of quality products.

    - TNSS coordinated familiarization initiatives ("FAM Tours") for travel writers and food journalists. These resulted in a number of articles on Nova Scotia's food industry and products. Substantive articles appeared in such

magazines as, Canadian Living, Saltscapes, Canadian Food and Wine, as well as numerous tourism collateral pieces and magazines/ periodicals. This work was measured at over $ 3 million in PR value to the province and the industry.

Functional Foods and Nutraceuticals:

- Partnered with Agriculture and Agri Food Canada to organize and host a Functional Foods and Nutraceutical Conference. It was attended by over 120 businesses and food/ allied industry associations. The conference provided a broad spectrum of marketing and diversification opportunities in this high-end, value- added arena and was rewarded with positive evaluations by conference attendees. The conference also provided support for network development and client support services.

Alternate Energy:

- The Farm Loan Board completed work with the Nova Scotia Power Corporation on wind power generation. A project on alternate energy production (ethanol) was begun with government and industry stakeholders which included co-funding of biomass technology research and project design.

Quality Development and Standards:

- Participated in a new national initiative to develop organic certification standards. A number of national standards development processes are underway which will advance internationalization of the industry. Ultimately, these will advance industry competitiveness and new market opportunities. As well, the department is a member of the National Wine Standards Committee.

Strategic Planning for Development:

- Facilitated a number of strategic planning processes and plans which laid the foundation for collective sector growth and development. Strategic plans were developed for tree fruit (Industry Vitalization Strategy), organics (ACORN Industry Strategy), wild blueberries (WBANA Market Development Strategy), and wine (Nova Scotia: A New World Wine Strategy). These strategies are currently in the implementation phases and will contribute to industry economic growth.

- The Nova Scotia tree fruit industry received approval for $500,000 in market development funding as part of overall strategy implementation. The growth objective is an increase of 20 per cent in overall industry sales over three years, with an emphasis on incremental export sales.

Priority – Support increased domestic and export sales of Nova Scotia agri-food and seafood products, services and technologies.

Achievements:

Continued to participate on the interdepartmental committee overseeing the Brand Nova Scotia Initiative, and support growth and development of the Taste of Nova Scotia Programs.

Brand Nova Scotia Initiative: The Nova Scotia economic growth strategy, "Opportunities for Prosperity," highlights a number of strategic growth imperatives for the province. Among them is the need to have a strong branding presence in Nova Scotia's key international markets if the economy overall is to thrive. The department co-chaired this corporate initiative with Nova Scotia Tourism and Culture. Progress and deliverables for 2002-03 included:

- Established a coordinating committee comprising of six government departments and agencies. Developed and approved a brand Nova Scotia work plan. Existing brand research was consolidated and analyzed. As well, additional brand research was commissioned and reported, a best practices review on branding was completed, a brand strategy with key messages and brand positioning statements (business and tourism) were completed, and proposed tactics/ pilot branding projects were drafted.

- Completed the work plan for 2002-03. The Brand Nova Scotia Initiative continues with leadership and project management resources from the Office of Economic Development. The Brand Nova Scotia Coordinating Committee will continue to lead and advise on Nova Scotia's overall brand strategic direction. It will provide a forum for leadership in cross-government brand planning and coordination in both domestic and export markets.

The Taste of Nova Scotia Quality Food Development Initiative:

- Began an initiative in collaboration with industry and the Technical University of Nova Scotia to develop tools and processes for the effective ongoing management of the quality assurance standards conveyed to Nova Scotia consumers by the Taste of Nova Scotia Quality Food Program. Work included, the development of tools to assess food safety risks associated with applicants and member companies' processing facilities; tools to evaluate quality assurance capabilities of applicants; product specification templates; as well as, workshops and training information to advise 55 member companies of the revised program standards and new performance requirements. The work of this phase of the quality development project has been completed.

Federal/ Provincial Coordination and Planning:

- Participated on the Taste of Nova Scotia Quality Food Program Board of Directors of the Atlantic Canada Food Export Partnership. This multi-stakeholder government/industry export development organization had a number of deliverables including: access to $130,000 in federal export development financing, a forum for regional industry networking, government/industry trade coordination and planning, membership support for incoming buyers and trade events with a focus on US markets, and publication of a "Logistics Guide For Atlantic Region Agri-Fish Exporters."

- Participated on the Federal/ Provincial Market Development Council which took the lead in planning and implementing federal/ provincial international market

development initiatives, as well as Brand Canada strategic direction and planning under the new Agricultural Policy Framework. Deliverables included: planning and participation in APF value-chain roundtables, representation of Council on two sector roundtables (horticulture and fish and seafood sectors), delivery of strategic and operational plan Nova Scotia in Canada's priority and emerging markets for agri-fish sectors, participation on priority market work teams for the US, Japan and China/ Korea, delivery of the international business development strategy for Canada for agri-fish sectors, delivery of an annual report to federal/ provincial and territorial Ministers in July of each calendar year.

- Participated on the Federal/ Provincial Agricultural Trade Policy Committee, which formed the coordinating, planning and trade policy forum for inter-provincial and international trade in agri-food. Work this year, pertaining to Nova Scotia, included: inter-provincial movement of fluid milk, World Trade Organization (WTO) and North America Fish Trade Agreement (NAFTA) specific issues, and issues surrounding the US regulatory environment (Homeland Security, US Food and Drug Agency Customs-Trade Partnership Against Terrorism (CTPAT). An annual report of activities is delivered to Federal/ Provincial/ Territorial Ministers in July of each year.

- Participated in the Tri-National Agricultural Accord meetings in Montreal. These meetings provide an annual reporting, work-planning and discussion forum for senior trade and regulatory officials as well as federal, provincial and state Ministers/ Commissioners of Agriculture from Canada, USA and Mexico. In 2003-04, Nova Scotia will co-chair, with New York and New Jersey, respectively, two working groups, the New England Apple Working Group and the Cross Border Working Group.

- Participated on the Canadian Food Inspection Agency's (CFIA) Fish Umbrella Committee; which provided a forum for provincial fishery trade and regulatory issues discussion and coordination. Worked with the CFIA and industry in the area of cross-border trade challenges and the new Canadian nutrition labeling regulations in Nova Scotia. These are ongoing.

- Continued work with Federal/Provincial/Territorial Committees toward Nova Scotia's equivalency determination with National Dairy Regulation and Code standards. These will facilitate interprovincial movement of dairy products.

- Worked with agriculture, aquaculture and seafood industry stakeholders to promote Nova Scotia, its products, services and technologies, as well as expand export markets, particularly in New England, the European Union and Japan.

Export and Domestic Market Development:

- Participated in thirty substantive market development initiatives. Most were partnered with industry while approximately half were partnered with federal, regional and provincial trade officials. In-depth project reports with project outputs and outcomes are available upon request. Highlights included:

New England

- International Boston Seafood Show - coordinated the Nova Scotia and Atlantic stands, industry or company-specific business development meetings, meetings with brokers and US officials on cross-border and country-of-origin regulations, intelligence gathering; and hosted an Atlantic reception for Atlantic agri-fish companies and international buyers, brokers and trade commissioners.

- Three outgoing educational and investigative missions in the areas of organic and natural food products; incoming US buyers' mission; incoming seafood buyers from Chicago; Taste of Nova Scotia Quality Food Program Cruise Ship Trade Initiative in Miami; partnered Atlantic Trade Partnership initiatives; US intelligence gathering initiatives; Sea Sell Tourism Initiative; Boston Christmas Tree Trade and Promotional Event.

European Union

- Brussels International Seafood Show - coordinated the Nova Scotia, Atlantic and Canadian stand, industry or company specific business development meetings, meetings with EU brokers and officials intelligence gathering.

- Seafood Training Project - planned and conducted seafood training for 13 EU Agri-Food Commercial Officers.

- Taste of Nova Scotia Quality Food UK Promotion -12 Nova Scotia agri-fish companies hosted a buyer and media event at Canada House, London. This resulted in positive industry evaluations and substantial sales and awareness.

- Undertook market development activity for wild blueberries; completed the Estonian agricultural commercialization project.

Japan

- Product Development for the Japanese Market - completed year one of the Atlantic region, International Business Development Agreement (IBDA)-funded, Product/Market Development Project. Three Nova Scotia companies are working with consultants familiar with the Japanese marketplace to develop products and packaging tailored specifically to these markets. These will also develop buyer, broker and distribution contacts and relationships. Continued market development activity for wild blueberries.

Caribbean Market Development

- Work continued with industry to consolidate market relationships and increase

sales. Deliverables and outcomes for 2002-03 included: business development work resulting in the formation of Canadian Agriculture Export Incorporated (CAEI); coordination of provincial presence through one outgoing agri-fish mission and trade event; market intelligence and information gathering.

- Provided technical services and worked collaboratively with Canadian Food Inspection Agency for determination of milk powder quality and resultant issuance of export grade certificates.

- Domestic market development: work continued in collaboration with Nova Scotia agri-fish industry associations and groups who do not have a capacity for this type of work. These projects are important as they establish working linkages with industry leaders, provide for end user (consumer) promotion; awareness of Nova Scotia's products and services; provide important market and internationalization training and readiness for industry. Highlights include:
    - Oyster Shucking Contest; planning and coordination of the APEX food service trade show; CBC Birthday Party; two Atlantic distributor sales shows; work on the Atlantic Tender Beef Classic program and other red meat processing initiatives; PEI Shellfish Chowder Challenge; Nova Scotia Port of Wines Trade Event; Nova Scotia Fisheries Exposition; Maritime Fall Fair; Nova Scotia Sampler; Cuisine Canada National Conference.

    - Taste of Nova Scotia Programs delivered over 20 substantial domestic promotion programs on behalf of the department in keeping with accord agreements, program members and other industry stakeholders.

    - Photography and visual identity:
      -branding, market development and promotional efforts by government and industry stakeholders were supported by an in-house image library targeted to the agri-fish sectors;
      -four new signature photographs were developed in 2002-03;
      -supplied consultation services to government and industry stakeholders in further planning and contracting for audio - visual products and services.

Taste of Nova Scotia Quality Food Program:

- Saw a 10 per cent increase in membership during the last two program years, with member numbers approaching 65. The program entered the export arena with market development and branding initiatives in the US, UK and the Caribbean. The program levered an estimated $ 300,000 in additional support to initiatives. Brand awareness demonstrated logo identification is up two percentage points which, in marketing terms, is a huge success. The program serves as an important alternate service delivery vehicle for the department in the areas of market promotion, quality and standards development as well as export readiness work and training.

Market research, information and intelligence:

- The Market Report moved to solely electronic distribution in 2002-03. This activity is scheduled for review and evaluation in 2003-04. Market research and intelligence initiatives in priority market areas were conducted for the following product/ sector areas: sushi, crab, lobster, maple, honey, pork, dairy, organic horticulture, hay, wild blueberries, cranberries and apples.

The Nova Scotia School Milk Program:

- A number of industry meetings were held to explore alternate funding options and Program directions. The program subsidized over 3.5 million servings of fluid milk to Nova Scotia school children. It continues to be popular at the school level, with 93 per cent of eligible schools enrolled in the Program.

Trade Policy and Development:

- Work in the following areas was undertaken: federal/ provincial trade policy coordination, planning and committee work on behalf of agri-fish sectors; coordination of WTO information related to agri-fish for Nova Scotia; support for the NB - Farmers Dairy Agreement on Internal Trade (AIT) dispute; work on industry impacts related to the US Farm Bill; support for industry and provincial government efforts. These included: comments and correspondence with respect to the increasingly challenging US regulatory environment and cross-border issues (Homeland Security, Customs Trade Partnership against Terrorism (CTPAT), US Bioterrorism, US-FDA, US-Customs); Coastal Shipping Regulations Position Paper.

Priority – Provide stable, cost-effective financing to Nova Scotia's farmers, commercial fishers and aquaculturists.

Achievements:

- Access to capital is a major issue for many players in the agri-fish sectors. The loan boards are an important link in the department's ability to plan for economic development. During the 2002-03 fiscal year:
  - the Nova Scotia Fisheries and Aquaculture Loan Board granted 139 loans totaling $24.7 million;
  - the Nova Scotia Farm Loan Board granted $22.4 million in loans; new market opportunity loan programs continued for tree fruit and beef;
  - a $4 million Hog Industry Loan Program to resolve price and market challenges was developed and implemented;
  - joint work leading to one new and improved financial management system which will recognize the needs of both boards is underway. Business plans, audited statements of account and annual reports are available for these crown corporations are available.

Priority – Address industry and business development issues, such as revitalization, new entrants, succession planning and professionalization in the agriculture and fishing industries.

Achievements:

- Loans for licenses in the fishery: A proposed program direction, risk assessment, and policy options are being reviewed within government. Expected completion and next steps are targeted for fall 2003.

- New entrants to agriculture program: This program is administered by the Nova Scotia Farm Loan Board and is entering its third year. 47 new entrants were approved for 2002-03 with a total budget expenditure of $617,000. The program was subjected to review in 2002-03, with reports distributed to government and industry stakeholders.

- Department officials continued to work with the federal government and fish harvester associations to address professionalization in the fish harvester's sector. Consultations with grassroots fishermen have taken place and will continue. If the industry receives a clear mandate to proceed with professionalization in Nova Scotia, MOUs or legislation will be developed to facilitate this initiative.

Priority – Strengthen and encourage government/ industry investment initiatives and parallel program and policy directions within the Nova Scotia Investment Framework.

Achievements:

- Continued to assess and inventory agriculture and fishery sector needs with respect to business development and investment. Endeavored to develop program and policy directions as a charter member of the Federal/ Provincial Steering Committee on Investment. The committee provides a forum for joint planning on investment programs, promotion, issues discussion, and provides advisory services to the federal government on provincial agri-fish industry investment needs.

- Provincial officials continued their work with Fisheries and Oceans Canada to develop opportunities in the commercial fisheries such as, a new licencing program for marine recreational groundfish fishing. Serious resource problems with groundfish stocks are delaying this initiative. Officials continued to pursue the development of fisheries that target non-traditional species and to work with the boat-building industry to foster growth in the sector and increase boat exports from the province.

- Continued to provide farm investment and industry development programming. This stimulates industry development and innovation. Funding in excess of $3.7 million through the Farm Investment and Agri-Food Industry Development Funds supported 1,500 projects in the areas of business and human resource development, land and water management, regulatory compliance, food and farm safety, agro-environmental initiatives, market development, promotion and awareness.

Core Business 3: Responsible governance - focuses on the orderly development of the industries through supportive legislative and regulatory frameworks.

Priority – Provide a quality evaluation service for industry in the areas of product standards, food safety, education, research and analytical testing in support of an integrated food safety program:

Achievements:

- Food Safety and Food Quality is a key element in the Canada/Nova Scotia Agricultural Policy Framework and Implementation Agreement, which will be implemented in fiscal year 2003-04. Initiatives focus on on-farm HACCP, traceability, training and education and the safety and quality of food products.

- Continued implementation of a integrated Food Safety Program, which includes revised meat inspection regulations, on-farm HACCP, reorganization and enhancement of laboratory services, and cross-training for food safety, product evaluation and inspection personnel. Consultation on new food safety regulations have been completed and final draft of results is being prepared.

- Addressed the concerns and recommendations contained in the Food Safety Audit. The audit report addressed eight areas for actions. Progress has been made with new regulations for food and meat inspection, volunteer agencies and food handler training, daycare inspection and quality assurance.

- Signed several Memorandum of Understanding: Canadian Food Inspection Agency (CFIA) on inspection services; Department of Environment and Labour on water regulations/laboratory protocols and Canadian Customs and Revenue Agency (CCRA) to establish and provide for a cooperative and efficient working relationship between CCRA audit staff and DAF inspectors in combating underground economy activities in the NS fishing sector.

- The department continued to focus on areas of legislation and compliance services linked to regulatory requirements (food quality/safety). The provincial laboratories were audited for Accreditation with Standards Council of Canada under International standards of accreditation (ISO 17025). The laboratories are being assessed by Canadian Laboratory Services, Canadian Food Inspection Agency, and Canadian Association for Environmental Analytical Laboratories.

Priority – Provide a legislative and information management system for departmental legislation/regulatory requirements, appointments, FOIPOP and records management initiatives:

Achievements:

- In 2002–03, the department neared completion of its efforts to reduce the number of Agencies, Boards and Commissions. The Farm Registration Advisory Committee was eliminated and the process for eliminating the Artificial Insemination Board and

regulations was completed. The department continued to reduce and improve regulations in accordance with the recommendation of the Red Tape Reduction Regulatory Review. The Flock Hatchery Policy and Livestock Breeding Regulations were repealed, revised Crop Insurance Plan Regulations are awaiting approval and new Apple Maggot Inspection Regulations were approved following the elimination of the Apple Maggot Control Board. Discussions commenced to combine the Deer Regulations and the Game Farming Regulations.

- The department progressed in its review to reduce the numbers of Agencies, Boards, and Commissions (ABCs). Actions were taken to eliminate ABCs' considered redundant or where the responsibility can be accomplished in a different way.

- Legislation was amended to facilitate processing of refunds by the NS Federation of Agriculture, streamline operations of the Natural Products Marketing Council, simplify appointments to 16 Fences and Detention of Stray Livestock Committees, and streamline responsibilities for the Maritime Provinces Harness Racing Commission.

- Initiated efforts to establish an approved records management system across the department which will improve information management.

Priority – Provide a licensing program for seafood processors/buyers, retail food outlets including restaurants, and coordinate the issuance of other agricultural permits and licenses under a policy and regulatory framework.

Achievements:

- Revised the fish processor and fish buyer license policy, and developed Retail Policy, both of which are expected to be implemented in 2003-04.

- Completed Application/Protocol and Procedures Manual for live lobster handling and holding.

Priority – Provide a compliance, investigative and enforcement capacity for the department.

Achievements:

- Signed a MOU with Canada Customs and Revenue Agency to curb the illegal lobster trade in the province which will enhance inter-government co-operation and ensure that all seafood buyers, processors and harvesters meet the record-keeping obligations under the federal *Income Tax and Excise Tax Acts* and *Nova Scotia's Fisheries and Coastal Resource Act*. These actions are aimed at protecting the livelihood of legitimate fish harvesters.

- Implemented the *Organizations Support Act* in Region 1 (Gulf of St. Lawrence coast of NS). Fishermen's organizations have been accredited and core fishermen in Region 1 have been informed of the requirement to join an accredited organization. Work is underway to develop a supporting enforcement program to address violations of the Act and regulations.

Priority – Streamline the regulatory process so that it is more timely and responsive with focus on the Crop and Livestock Insurance and the Natural Products Act.

Achievements:

- The Natural Products Marketing Council (Council) completed the dairy industry transition, including delegation of powers to Dairy Farmers of Nova Scotia for managing quota, producer prices, pooling, payments, producer licensing, levies and bulk haulage. Council retains the authority for regulating the health and safety of milk, fluid milk minimum pricing, packaging, utilization and, subject to Cabinet approval, out-of-province quota sales.

- Amendments to the *Natural Products Act* were approved, providing for fewer routine regulations requiring Order in Council approval. The Governor in Council retains authority to establish producer boards, alter or revoke board marketing plans and regulate the transfer or sale of quota outside of the Province. Council may make regulations governing most operational aspects of commodity boards.

- Council initiated amendments to regulations supporting the Nova Scotia Egg Producers, Pork Nova Scotia and the Nova Scotia Turkey Producers' Marketing Board.

- In consultation with industry and the department, Council is working on a major update to the Dairy Production Regulations, which are the largest remaining section of the former Dairy Commission regulations.

Core Business 4: Education, training, skill development and life long learning - focuses on sustaining expertise and excellence in Nova Scotia's agricultural, agri-food and aquaculture industries, as well as preparing Nova Scotians for a global labour market through teaching and community services.

Priority – Increase NSAC research capacity by participating in the Canada Research Chairs Programs.

Achievements:

- Established a research position in fruit product development. Federal funding of $175,000 will go toward this initiative. A research program will be the priority for the next year in cooperation with industry and with federal and provincial government support.

- Began construction of the Canadian Centre for Fur Animal Research. This facility will position NSAC as a leading fur animal research facility in North America.

- NSAC was awarded two Canadian Foundation for Innovation (CFI) grants totaling $5.26 million. The Atlantic Canadian Centre for Poultry Research will provide research capabilities in all phases of poultry production from hatching to value added product processing. This centre will provide facilities for the Atlantic Poultry Research Institute (APRI) to coordinate poultry research among scientists from Agriculture & Agri-Food Canada, University of Prince Edward Island (UPEI) and NSAC.

- NSAC awarded $725,000 scholarships to over 200 students at the October 2002 Autumn Assembly. This generous scholarship program helps attract top students and is made possible by many donors, including governments, industry associations, professional organizations and individual alumni.

Priority – Increase the capacity of students and NSAC staff to become leaders in a globalized food system.

Achievements:

- NSAC continued to create opportunities for its students to spend a semester studying abroad. New student exchange agreements were established at post-secondary institutions in Jamaica, England, Norway and Denmark.

Priority – Continue to educate and train students for agriculture, aquaculture and related fields.

Achievements:

- The NSAC Centre for Continuing and Distance Education with assistance from the Organic Agriculture Centre of Canada offered a series of four courses on Organic Agriculture for internet delivery. The Centre for Continuing and Distance Education delivered the first Nutrient Management Certificate Course in the winter, training

approximately 20 consultants in the field. This course will be repeated annually. Enrollment in the distance education courses was 138 in 2002-03.

Priority – Seek opportunities to further diversity curriculum offering to respond to opportunities in emerging life sciences, environmental engineering and biology, agricultural business, new and value-added product development, and aquaculture.

Achievements:

- Developed a revised business management/marketing program. These revisions still need to be approved by internal committees. It is planned to have the approval process complete for the September 2004 incoming students.

- Provided customized training for adult learners such as the Nova Scotia Agricultural College - Millbrook Aquaculture and Horticulture Program. Nine of 15 Millbrook First Nations students received their certificate of completion of a customized 32-week aquaculture and horticulture training program in December.

Priority – Provide leadership development, organizational and decision making opportunities that will give both Nova Scotia rural youth and industry, tools to meet the challenges of sustainable resource development as well as become leaders of the future.

Achievements:

- The 4-H program focused on leadership development, organizational skills and decision making through workshops and training events held in every county, region and the provincial level. Provincial events included 4-H Camp Rankin, Nova Scotia 4-H Weekend, and the Nova Scotia 4-H Show.

- An Intermediate 4-H Conference for 13-15 year olds was an outstanding success. The Conference focused on health, agriculture and other rural issues. Pre and post conference evaluations saw significant increase in knowledge in the subject areas by the participants. Regional leadership development in the Eastern region also provided training to adult leaders and Senior members.

- A National 4-H Survey by Ispos Reid indicated 4-H alumni have greater education, higher household incomes and are more apt to be involved in their communities then the general Canadian population. This survey clearly shows the role 4-H has in leadership development, organizational, and decision making training in rural youth.

ACCOUNTABILITY AND INTERNAL MANAGEMENT

The department is accountable to the Government of Nova Scotia and Nova Scotians for delivering programs and services within its mandated authority in an effective and efficient manner, and for reporting on results in a timely fashion. To achieve this overall objective, the department must ensure that it has knowledgeable, trained staff and a work environment that is safe and conducive to productivity.

Over the course of the next three to five years, a significant portion of staff will be eligible for retirement. In response to the need to address potential staffing issues, the department launched a government pilot program on succession management. A committee chaired by the Deputy Minister and made up of department staff, human resources, Public Service Commission staff, and a representative from NSGEU has been meeting to map out the process to support and facilitate the long term development plans for individuals within the department. In May 2003, 50 applications to participate in the program had been received. As an ongoing process, managers identify potential projects as developmental opportunities with the hope of matching these opportunities with interested employees.

In accordance with requirements under the *Financial Measures Act* and Government-wide accountability initiatives, the department will report on the outcomes of its programs and services in publically available reports.

BUDGET CONTEXT from BUSINESS PLAN 2002–03

Nova Scotia Department of Agriculture and Fisheries 2002–03 000's			
Core Businesses	Actual 2002-03	Budget 2002-03	Variance
Sustainable Resource Management	5524.3	5630.3	-106
Industry Growth & Development	18064.4	15524.2	2540.2
Responsible Governance	5662.5	5960.6	-298.1
Education, Training, Skill Development, & life-long learning	6174	6039	135
Administration & support	6015.4	6118.9	-103.5
Total - Program Expenses Net of Recoveries	41440.6	39273	2167.6
Total Gross Current	62104.7	56589.6	5515.1
Salaries & Benefits	25893.2	26162.2	-269
Funded Staff (FTEs)	513.3	514.6	-1.3
Variance Explanation Notes :The total Net Program Expense Variance of $2.167 million represents an additional appropriation of $1.3 million for the payment of Nova Scotia's share of Risk Management Programs (Safety Net Programs) and $904,471 Bad Debt Expenses for Fisheries Loan Board.			

MEASURING OUR PERFORMANCE 2002–03

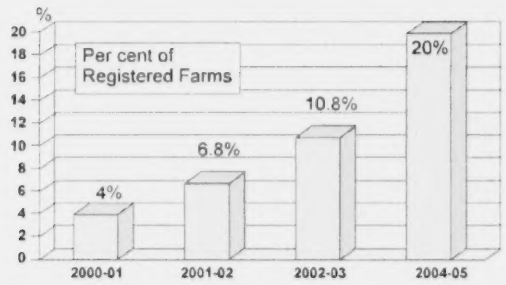
The department has four core business areas, the first is ***Sustainable Resource Management***. An outcome that will contribute to this core business area is **viable agriculture, fisheries and aquaculture sectors**. The following measures are used to record movement toward achieving the outcome:

- **Percentage of Farms with Environmental Farm Plans in Place**

What does the measure tell us? Government assists farmers through educational and developmental programs that encourage sustainable farming practices, such as, soil, water, and air management. The number of farmers with environmental farm plans in place is expressed as a percentage of all registered farmers under the *Nova Scotia Farm Registration Act*. Increasing the number of farms with environmental farm plans will result in conservation and sustainable development of soil, water, air, and biodiversity resources.

Where are we now? As of March 2003, approximately 260 farms had completed, had an initial visit, or had been contacted with respect to the Environmental Farm Plan (EFP) Initiative. This represents 10.8 per cent using a base of 2400 registered farms. There has been a steady increase in the percentage of participants in the EFP as shown below. (Source NSDAF)

Percentage of Farms with Environmental Farm Plans in Place



Where do we want to be in the future? Our target is 20 per cent or 1 in 5 farms will have Environmental Farm Plans in place, by 2004-05. Environment is one of the five pillars within the new Agricultural Policy Framework Agreement (APF) to begin April 2003. The Accelerated Environmental Farm Planning Initiative, a component of the APF, should help us exceed our projected target.

- **Dollar Value Research Projects Awarded**[1]

What does the measure tell us? The dollar value of research projects awarded reflects success in efforts to identify and undertake scientific research. This leads to development and adoption of innovative technology, and sustainable agriculture and aquaculture practices.

Where are we now? In 2002-03, in excess of $1.8 million in research funding was awarded through the Technology Development and Agricultural Water Resource Development programs. This is an increase from $1.1 million in 2001. The funded projects support the development or adaptation of new, leading edge agricultural technologies as well as research in agricultural water management. (Source NSDAF)

Where do we want to be in the future? The target for the department and NSAC is to increase the value of research projects awarded each year. The department and NSAC will continue to work with partner organizations to address water, soil, and climatic changes impacting on agriculture, aquaculture, and rural communities, and to undertake applied and theoretical research contributing to sustainable resource management.

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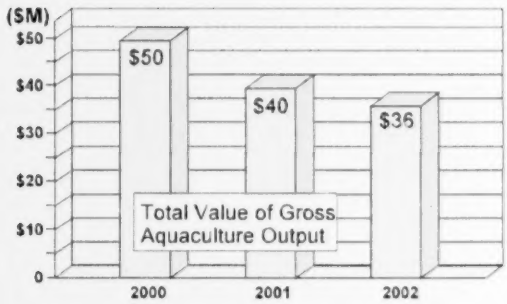
[1]Amended measure from Dollar Value and *Number* of Research Projects Awarded, rationale, number of projects not reflective of economic activity to achieve target and Outcome.

- **Value of Gross Aquaculture Output**

What does the measure tell us? The dollar value of gross aquaculture output in the province reflects aquaculture resource and site management such as proper site selection/husbandry practices including proper stocking densities.

Where are we now? In 2002, gross aquaculture output in the province had a value of $36 million. This was a decrease from previous years. Part of the decline can be attributed to loss of one of the major producers, discovery of "Multinucleate Sphere X" (MSX), a parasitic disease of American (or Eastern) oysters in the Bras d'Or lake, and increased market competition. (Source NSAF)

Value of Gross Aquaculture Output



Where do we want to be in the future? The goal is to halt the decline in the value of gross aquaculture output that has occurred over the last three years. To achieve this, the department is leading a federal/provincial/ industry project to revise the 1996 Aquaculture Development Strategy.

- **Dollar Value Sport Fishing Activities to the Province;**
- **Percentage Change in Sport Fishing Licences Sold**

What does the measure tell us? The dollar value of sport fishing activities in the province and the percentage change in sport fishing licences sold reflect efforts to promote conservation and enhancement of inland fish stocks, and promotion of sport fishing activities. These efforts by government, industry and community partners contribute to a sustainable sport fishery resource. The measures also reflect the importance individuals place on leisure activities. Nova Scotia's economic contribution is comparable with other Canadian provinces on a pro-rated basis. If we are successful attaining access to our marine resources for recreational purposes, we will exceed national standards.

Where are we now? In 2002 the value of sport fishing activities remained at an estimated $85 million. Direct and indirect spending by anglers increased significantly to $56.6 million in 2000 from $41.8 million in 1995. From these and other types of expenditures, it is estimated that the economic impact of the sport fishery in Nova Scotia is $85 million

each year. While there was an 8 per cent decrease in the number of sport fishing licences sold compared to 2000, the decline can be attributed to drought and the affect of a two month woods closure. The value of the resource remains on par with other Atlantic Provinces. Between 1995 and 2000, New Brunswick sales declined by 18 per cent and PEI sales declined by 24 per cent, Nova Scotia sales remained stable. (Source NSAF)

Where do we want to be in the future? The target is to increase both the dollar value of sport fishing activities in the province and the percentage change in sport fishing licences sold compared to the base year 1999. Specifically, the target is to have the value of sport fishing activities exceed $100 million by 2005 and achieve sales of 70,000 licenses per year by 2005. To achieve this target, the department will continue to partner with government, industry, and communities to identify and promote sport fishing activities and events, promote conservation, and enhancement of inland fish stocks to strengthen the sportfish resource.

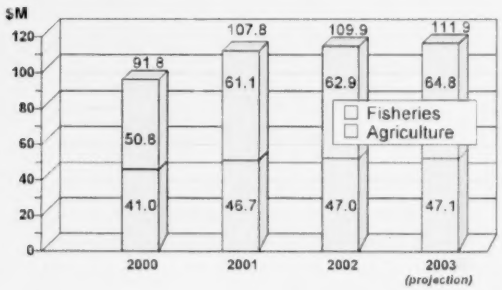
A second core business area of the department is ***Industry Growth and Development***. An outcome that will contribute to this core business area is **economic growth and prosperity in rural and coastal communities**. The following measures are used to record movement toward achieving the outcome:

- **Dollar Value Total Capital Expenditures Agriculture and Fisheries**

What does the measure tell us? The dollar value of total capital expenditures in agriculture and fisheries shows the amount of capital investment in the sectors over the 2002 year. Investments of this nature contribute to economic growth and prosperity within rural and coastal communities in the province.

Where are we now? In 2002, the total value of capital expenditures in agriculture and fisheries was $ 109.9 million, an increase of 8.8 per cent from the total value of $91.8 million in 2000. This is the sum of $47.0 million spent in agriculture and $62.9 million spent in fisheries in 2002. Both sectors reported increased capital expenditures. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Dollar Value Total Capital Expenditures Agriculture and Fisheries



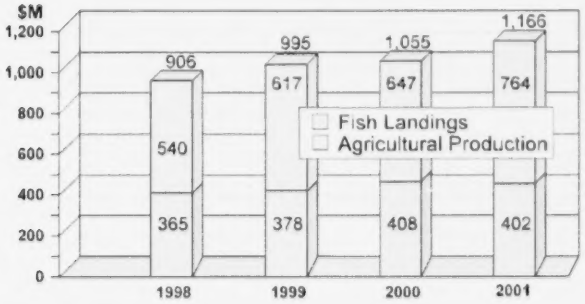
Where do we want to be in the future? The target is to continue an increase in total capital expenditures in both sectors such as occurred from 2000 to 2002. Preliminary estimates for 2003, suggest an increasing trend. The department will continue to strengthen linkages between public investment and best management practices for public and private investment.

- **Value Agriculture Production;**
- **Value of Fish Landings;**
- **Primary Value of Agriculture and Fisheries**

What does the measure tell us? These three measures show the dollar value of industry performance on a sector basis and their combined total from primary production. The values enable the department to track industry performance, work with industry to identify opportunities, address and mitigate issues that challenge agriculture production and fish landings. Industry performance impacts on the economic growth and prosperity in rural and coastal communities.

Where are we now? In 2001, the value of agricultural production was $402 million, a decrease from $ 408 million in 2000. The decrease can be attributed to drought and market conditions. The value of fish landings was $763 million, an increase from $647 million in 2000. The increase can be attributed to strong market demand. The primary value of agriculture and fisheries was $1,166 million, an increase from $1,055 million in 2000. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Primary Value of Agriculture and Fisheries



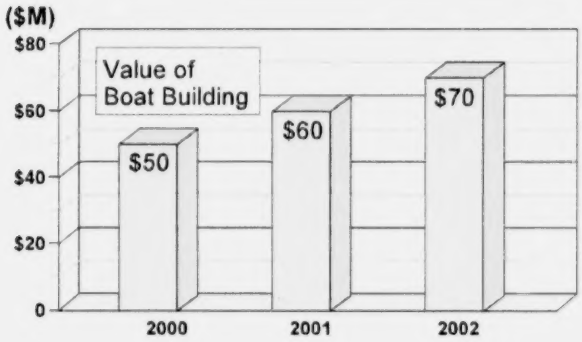
Where do we want to be in the future? In future, the target is to increase the dollar values of agricultural production, fish landings, and the total primary value of agriculture and fisheries within the province. To achieve this target, the department will continue to work with industry and other stakeholders to identify opportunities, address and mitigate issues, such as climate change, declining coastal resources that challenge production and landings.

Value Boat Building

What does the measure tell us? This measure shows the activity in the boat building sector of the province. The dollar value enables the department to track industry performance, work with industry to identify opportunities, address and mitigate issues that challenge industry growth and development. Industry performance impacts on the economic growth and prosperity in rural and coastal communities.

Where are we now? In 2002, the value of boat building was $70 million. This was an increase of $20 million or 40 per cent from the $50 million value in 2000. This reveals economic growth in the sector. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Value Boat Building



Where do we want to be in the future? The target is to increase the value of boat building within the province. The department will work with the industry to identify opportunities, address and mitigate issues that challenge industry growth and development.

- **Value of Shipments Food Manufacturers;**
- **Food Manufacturing Value-added**[2]

What does the measure tell us? The measure shows the dollar value of shipments by food manufacturers in the province. The measure shows sector activity beyond the primary production level. The measure enables the department to track value-added performance in the sectors and province, to work with industry and other government agencies to address and facilitate market access issues. Value-added activity reflects the core business area of industry growth and development, contributing to economic growth and prosperity in rural and coastal communities and urban centres.

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[2]Not reported upon 2002-03, the most recent statistic for the measure is 1999 where, the value-added shipments' ratio was 36.5:1 (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206) See Accountability Report 01-02 http://www.gov.ns.ca/nsaf/department/business_plans/

Where are we now? In 2002, the value of shipments by food manufacturers is estimated to be $2,234,408. This is an increase of 21.6 per cent from $1,837,281 million in 1999. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Where do we want to be in the future? The target is to increase the value of shipments by food manufacturers. To achieve this target, the department has prepared a document, currently under review, "Value Adding for the Agri-Fish Industries in Nova Scotia". Pending review and revision, the document will form a strategy for increasing value-added activity.

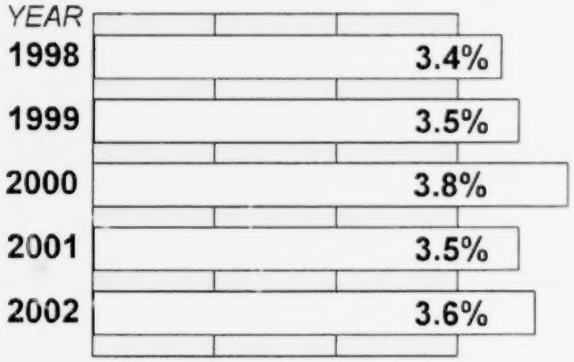
- **Nova Scotia Value of Shipments as a per cent of Canada[3]**

What does the measure tell us? This measure shows Nova Scotia's value of shipments by the food manufacturing industry as a percentage of Canada. The measure enables the department to track value-added performance as it compares nationally, to work with industry sectors to identify market opportunities for diversification and value-added initiatives.

Where are we now? In 2002, Nova Scotia Value of Shipments as a % of Canada was 3.6%. As Table 4 shows, the trend has been more or less constant 1998 through 2002. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Nova Scotia Value of Shipments

as a % of Canada



[3]Revised measure, continues to provide a comparison of Nova Scotia to Canada. The most recent statistic, at time of publication for the measure, Nova Scotia Value-added Food Manufacturing Industry as a per cent of Canada, is 3 per cent reported in 1999. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206) See Accountability Report 01-02 http://www.gov.ns.ca/nsaf/department/business_plans/

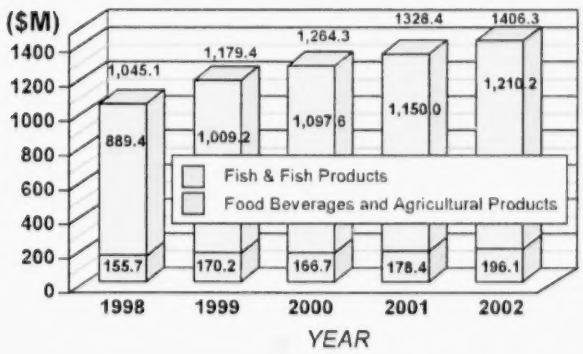
Where do we want to be in the future? The target for the measure is to maintain or increase Nova Scotia's Value of Shipments as a per cent of Canada.

- **Value Exports Fish and Fish Products;**[4]
- **Value Exports Food, Beverages, and Agriculture Products;**
- **Total Value Exports Agriculture and Fisheries**

What does the measure tell us? These measures show the dollar values of food export activities in agriculture, fisheries and their combined export value. The measures enable the department to work with industry and other stakeholders to identify and capture export market opportunities for Nova Scotia agriculture and fisheries products which contribute to economic growth and prosperity for the province.

Where are we now? In 2002, the export value of fish and fish products was $1,210.2 million, the export value of food, beverages, and agriculture products was $196.1 million, and the total dollar value of agriculture and fisheries' exports was $1,406.3 million. There has been an increasing trend in the export value as shown in Table 5. (Source Statistics Canada, Private and Public Investment in Canada, Cat. No. 61-206)

Total Value Exports Agriculture and Fisheries



Where do we want to be in the future? The target for these measures is to increase the export value each year. To achieve this target, the department will continue its collaboration with industry and government agencies to address and facilitate market access issues and actively pursue international market opportunities.

[4] Insertion of word, Exports, to reflect intent of measure.

The third core business area of the department is ***Responsible Governance.*** An outcome that will contribute to this core business area is a **responsible and responsive legislative environment**. The following measures are used to record movement toward achieving the outcome.

- **Number Participants in Food Safety Training Courses**

What does the measure tell us? Food safety is essential for a healthy population. This measure shows the number of individuals who have participated in training courses in food safety education, identification of food hazards, prevention and control of incidences of food borne illnesses. Greater awareness of food safety issues assist in maintaining a healthy population. The measure contributes to responsible government.

Where are we now? Successful food safety programs also depend upon the involvement of volunteer groups and agencies. In 2002, Food Safety Specialists provided three six-hour courses to 3,743 food handlers, including community and church volunteers, workers in the food industry and students. Fund-raisers, community events and other volunteer activities where food is served are traditions in Nova Scotia. We realize that education is key and our staff offer this food handler training course to volunteers free of charge. The courses provide participants with information about food-borne diseases, hand washing, pest control, cleaning and sanitizing, and the proper ways to prepare, ship and store food.

Where do we want to be in the future? The target for this measure is to sustain or increase the number of participants each year. To achieve this target, the department will work with industry partners to implement a Food Safety Program that includes cross training for inspection personnel, food safety, and product evaluation.

- **Number of Site Inspections**

What does the measure tell us? This measure shows the number of site inspections carried out by the department in 2002. It contributes to the effectiveness of an integrated food safety program leading to prevention and control of incidences of food borne illnesses.

Where are we now? In 2002 the Food Safety section licensed 5,332 food facilities and completed 9,716 inspections.

Where do we want to be in the future? The target is to increase the number of site inspections each year. To achieve this target, the department will work with industry partners to implement food safety regulations and develop a seamless seafood program for retail establishments.

- **Number of Consumer Complaints Requiring Investigation of Food Safety Issues**

What does the measure tell us? The number of consumer complaints that required investigation of food safety issues assists the department in identifying areas where food safety courses could be targeted, and where site modifications may be required to control incidences of food borne illness. Lowering the number of consumer complaints requiring investigation of food safety issues builds consumer confidence in food safety and is a part of responsible governance.

Where are we now? In 2002, Food Safety Specialists investigated 386 consumer complaints, down from 432 the previous year. The improvements are the result of several factors. The increased public expectation for food safety, increased industry awareness of the benefits of food safety and education campaigns aimed at consumers helped to drive the improvements. (Source 2002 Activity and Inspection Summary Report NSAF)

Where do we want to be in the future? The target is to decrease the number of consumer complaints that require investigation of food safety issues. The department will continue its strategy of cross training in food safety and inspections in order to achieve the target.

- **Revision / Review of Department's Legislative / Regulatory Framework**

What does the measure tell us? This measure shows the number of Acts reviewed by the department on an annual basis to ensure they are current with changing needs of the industry and with other legislation. It contributes to competitive industry sectors operating within a responsible and responsive legislative environment.

Where are we now? In 2002, the department has substantially completed Phase 1 (internal review) of the *Fisheries and Coastal Resources Act*. Completion of Phase 1 and Phase 2 (external review) of the review will proceed in 2003-04. The department completed the review of the *Marshland Conservation Act* in 2001. (Source NSAF)

Where do we want to be in the future? The department has a target to complete the review of four Acts by 2004 - 2005. To achieve this target, the department will continue to work with industry and governments to develop, implement, and revise legislative / regulatory instruments.

The fourth core business area of the department is ***Education, Training, Skill Development, and Life Long Learning***. One outcome that will contribute to this core business area is a **highly skilled, internationally competitive workforce**. The following measures are used to record movement toward achieving this outcome:

- **Ratio of Employment Opportunities to Number of Graduating Students**

What does the measure tell us? This measure shows the number of employment opportunities to the number of graduating students from the NSAC. The measure is expressed as a ratio. The measure shows the effectiveness in providing quality academic programs that reflect the demands of a competitive employment environment in agriculture and aquaculture. Graduates form a part of a highly-skilled internationally competitive workforce.

Where are we now? The ratio of employment opportunities to the number of graduating students has remained at 3:1. for each of the years, 2000, 2001, 2002 and 2003. This suggests the market for students specializing in agriculture / aquaculture disciplines has a stable demand and reflects employers' recognition of quality educational programs provided through the NSAC. (Source NSAC)

Where do we want to be in the future? The target is to sustain or increase the ratio of employment opportunities to the number of graduating students. To achieve this target, the NSAC will continue to provide and revise, as needed, quality academic programs that reflect the needs of a competitive employment environment.

- **Dollar Value of Applied and Theoretical Research Awarded;**[5]

What does the measure tell us? The dollar value of applied and theoretical research awarded shows the research capacity of the NSAC. This contributes to development and recognition of a highly-skilled internationally competitive workforce, supporting innovation and growth in agriculture.

Where are we now? In 2002, applied and theoretical research projects with a value of $ 3.8 million were actively on-going at NSAC. The dollar value is greater than the $2.3 million in 2000. The increase in dollar value is consistent with the target set. (Source NSAC)

Where do we want to be in the future? The target is to sustain or increase the dollar value of applied and theoretical research awarded. To achieve the target, the NSAC will

[5]Amended measure from *Number and Dollar Value of Applied and Theoretical Research Awarded; Number of Faculty Involved in Research*, number of projects, number of faculty not reflective of economic activity to achieve the target and Outcome.

continue efforts to enhance its research capacity through participation in the Canada Research Chairs' Program, the Canada Foundation for Innovation, the Atlantic Innovation Fund, and other partnerships in support of research professorships.

A second outcome that will contribute to the core business area, ***Education, Training, Skill Development, and Life Long Learning*** is **community leadership capacity in youth as an investment for leaders of the future**. The following measures are used to record movement toward achieving this outcome:

- **Number of 4H Members**

What does the measure tell us? The number of 4H members reflects how rural and urban youth value the program. It also reflects the department's work with communities to deliver the 4H Program and develop life long learning skills with members and volunteers.

Where are we now? In 2002, Nova Scotia had 2230 4H members. This represents 1.8 per cent of Nova Scotia's population (July 2002) between the ages of 10 and 19. Although a decrease of 170 reported membership in 2001, the change can be partially attributed to age demographics and senior members moving on to secondary education. (Source NSAF)

Where do we want to be in the future? The target for this measure is to sustain the number of 4H members. To achieve this target, the department will continue to work with communities to promote membership, and expand partnerships with new initiatives, such as the 4H Fisheries Manual.

- **Percentage Change Knowledge Survey of Learning Events/ Opportunities**[6]

What does the measure tell us? The measure reflects the effectiveness in delivery and content of education opportunities to 4H members. Knowledge gained contributes to the development of life long learning skills.

Where are we now? A 34 per cent increase in knowledge was reported from the survey of learning events/opportunities during 2003. This is an increase compared to 25 per cent reported in 2002. (Source NSDAF)

Where do we want to be in the future? The 4H Program has a target to increase the percentage change knowledge survey of learning events/opportunities. To achieve this target, the 4H program will continue its strategy to deliver and evaluate educational opportunities to members.

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[6] Amended measure from Percentage Change *Between Pre and Post* Knowledge Survey of Learning Events/ Opportunities for clarity.